



General Assembly

January Session, 2005

Committee Bill No. 5652

LCO No. 3942

03942HB05652GL_

Referred to Committee on General Law

Introduced by:
(GL)

**AN ACT CONCERNING WARRANTY WORK PERFORMED BY
DEALERS OF CERTAIN MACHINERY.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective from passage*) As used in this section and
2 section 2 of this act:

3 (1) "Equipment" means machines designed for or adapted and used
4 for noncommercial lawn and garden purposes including snow
5 blowers, lawn tractors, lawn mowers, weed trimmers, chain saws and
6 other similar equipment;

7 (2) "Supplier" means any manufacturer, distributor, wholesaler,
8 person, partnership, company or branch, division, agent officer or
9 representative thereof that sells or distributes noncommercial lawn
10 and garden equipment;

11 (3) "Dealer" means any person, partnership, company association or
12 other business entity engaged primarily in the business of selling,
13 retailing or leasing and servicing of noncommercial lawn and garden
14 equipment; and

15 (4) "Dealer agreement" means a contract, oral or written, expressed
 16 or implied between a supplier and a dealer that provides the dealer
 17 with the right to sell, distribute or service the supplier's equipment.

18 Sec. 2. (NEW) (*Effective from passage*) (a) Any warranty work
 19 performed by a dealer on equipment for a supplier pursuant to a
 20 dealer agreement shall be compensated based upon the reasonable and
 21 customary amount of time required by the dealer to complete such
 22 work as expressed in hours and fractions of hours multiplied by the
 23 dealer's established customer hourly labor rate. Such customer hourly
 24 labor rate shall be made known to such supplier prior to any such
 25 work.

26 (b) Any parts used by a dealer in performing warranty work on
 27 equipment for a supplier pursuant to a dealer agreement shall be
 28 compensated based upon the dealer's net price for such part plus
 29 fifteen per cent of such net price or pursuant to such supplier's current
 30 reimbursement program, whichever is greater.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>from passage</i>	New section

Statement of Purpose:

To assure that dealers are paid at their posted rates for warranty work performed for suppliers on noncommercial lawn and garden equipment.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

Co-Sponsors: REP. RYAN, 139th Dist.

H.B. 5652